LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6731 NOTE PREPARED: Dec 27, 2010

BILL NUMBER: HB 1186 BILL AMENDED:

SUBJECT: Physical Therapists and Spinal Manipulation.

FIRST AUTHOR: Rep. Davis

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that a health practitioner may not perform spinal manipulation or spinal adjustment unless the practitioner has statutory authority to differentially diagnose and meets certain educational requirements. The bill excludes physicians and osteopaths from the requirements. It also provides for disciplinary sanctions for violations.

Effective Date: July 1, 2011.

Explanation of State Expenditures: This bill would prevent a licensed physical therapist from performing spinal manipulation or spinal adjustment on a patient. Violation of this statute would make them subject to disciplinary sanctions by the Indiana Physical Therapy Committee. Licensure disciplinary sanctions could include revocation or suspension of a practitioner's license, censure, issuance of a letter of reprimand, probationary status, and/or the assessment of a fine up to \$1,000 per violation. Violations would increase the number of administrative hearings that must be held and the associated expense. The fiscal impact is expected to be minimal. The Committee operates under the General Fund appropriation for the Indiana Professional Licensing Agency (IPLA).

Violation of this statute would also make physical therapists subject to an injunction, restraining order, or other appropriate order of a circuit court.

<u>Explanation of State Revenues:</u> Licensure disciplinary sanctions could include revocation or suspension of a practitioner's license, censure, issuance of a letter of reprimand, probationary status, and/or the assessment of a fine up to \$1,000 per violation. Fine revenue is anticipated to be minimal.

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Court Fee Revenue: If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures:

Explanation of Local Revenues: Court Fee Revenue: If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected: IPLA, Indiana Physical Therapy Committee.

Local Agencies Affected: Trial courts, city and town courts.

Information Sources:

Fiscal Analyst: Kathy Norris, 317-234-1360.

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